

Revised: November 1, 2001

Attachment 4.18-A
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: ARKANSAS

A. The following charges are imposed on the categorically needy for services:

Service	Deduct.	Coins.	Type Charge Copay	Amount and Basis for Determination
Inpatient Hospital			x	10% of the hospital's per diem applied on the first Medicaid covered day of each admission. [The maximum coinsurance for each admission does not exceed the limit specified in 42 CFR 447.54(c).]

TN No. _____

Supersedes TN No. _____

Approval Date _____

Effective Date _____

Revised: November 1, 2001

Attachment 4.18-C
Page 1

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: ARKANSAS

A. The following charges are imposed on the medically needy for services:

Service	Deduct.	Coins.	Type Charge Copoly	Amount and Basis for Determination
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Arkansas Department of Human Services

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TO: **Arkansas Medicaid Health Care Providers**

DATE: **November 1, 2001**

SUBJECT: **Section I Update Transmittal**

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Explanation of Updates

Page I-51, Section 143.211: This section has been revised. Effective for dates of service on and after November 1, 2001, the coinsurance charge for a Medicaid recipient's inpatient hospital admission is 10% of the hospital's per diem amount, applied on the first Medicaid covered day. The current 22% coinsurance charge remains in effect for inpatient hospital admissions through October 31, 2001. Examples have been revised to reflect the change, and obsolete information has been deleted. This change does not affect ARKids First-B participants.

Pages I-51A and I-52, Section 143.212: This section has been revised. Effective for dates of service on and after November 1, 2001, the coinsurance charge for inpatient hospital admissions for Medicaid recipients, who are also Medicare Part A beneficiaries, is 10% of a hospital's per diem applied on the first Medicaid covered day. The current 22% coinsurance charge for inpatient hospital admissions remains in effect through October 31, 2001. Examples have been revised to reflect the changes. Obsolete information has been deleted from the section.

A change bar in the left margin denotes a revision.

Attached are updated pages to file in your provider manual.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-1461 (voice) or (501) 682-6789 and 1-877-708-8191 (TDD).

If you have questions regarding this transmittal, please contact the EDS Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

Thank you for your participation in the Arkansas Medicaid Program.

Ray Hanley, Director
Division of Medical Services

Arkansas Medicaid provider manuals (including update transmittals), official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: www.medicaid.state.ar.us.

Arkansas Medicaid Manual:	Page: I-51
	Effective Date: 12-1-92
Subject: RESPONSIBILITIES OF THE MEDICAID RECIPIENT	Revised Date: 11-1-01

143.210 Coinsurance

143.211 Inpatient Hospital Coinsurance Charge to Medicaid-Only Recipients

A. Inpatient Admissions through October 31, 2001

For inpatient admissions on and before October 31, 2001, the coinsurance charge per admission for Medicaid recipients is **22%** of the hospital's per diem amount, applied on the first Medicaid covered day.

Example:

A Medicaid recipient is an inpatient for 4 days in a hospital whose Arkansas Medicaid per diem amount is \$500.00. When the hospital files a claim for 4 days, Medicaid will pay \$1890.00, the recipient will pay \$110.00 (22% Medicaid coinsurance rate).

1. Four (**4** days) times **\$500.00** (the hospital per diem) = **\$2000.00** (hospital allowed amount).
2. Twenty-two percent (**22%** Medicaid coinsurance rate) of **\$500.00** = **\$110.00**.
3. Two thousand dollars (**\$2000.00** hospital allowed amount) minus **\$110.00** (coinsurance) = **\$1890.00** (Medicaid payment).

B. Inpatient Admissions on and After November 1, 2001

For inpatient admissions on or after November 1, 2001, the coinsurance charge per admission for Medicaid recipients is **10%** of the hospital's per diem amount, applied on the first Medicaid covered day.

Example:

A Medicaid recipient is an inpatient for 4 days in a hospital whose Arkansas Medicaid per diem amount is \$500.00. When the hospital files a claim for 4 days, Medicaid will pay \$1950.00; the recipient will pay \$50.00 (10% Medicaid coinsurance rate).

1. Four (**4** days) times **\$500.00** (the hospital per diem) = **\$2000.00** (hospital allowed amount).
2. Ten percent (**10%** Medicaid coinsurance rate) of **\$500.00** = **\$50.00** coinsurance.
3. Two thousand dollars (**\$2000.00** hospital allowed amount) minus **\$50.00** (coinsurance) = **\$1950.00** (Medicaid payment).

Arkansas Medicaid Manual:	Page: I-51A
	Effective Date: 7-1-96
Subject: RESPONSIBILITIES OF THE MEDICAID RECIPIENT	Revised Date: 11-1-01

143.212 Inpatient Hospital Coinsurance Charge to Medicare-Medicaid Dually Eligible Recipients

A. Inpatient Admissions through October 31, 2001

For inpatient admissions on or before October 31, 2001, the coinsurance charge per admission for Medicaid recipients who are also Medicare Part A beneficiaries, is **22%** of the hospital's Arkansas Medicaid per diem amount, applied on the first Medicaid covered day only.

Example:

A Medicare beneficiary, also eligible for Medicaid, is an inpatient for 4 days in a hospital whose Arkansas Medicaid per diem amount is \$500.00.

1. This is a patient's first hospitalization for the Medicare benefit year; so the patient has not met their Medicare Part A deductible.
2. Medicare pays the hospital its allowed Part A charges, less the **\$760.00** deductible, and forwards the payment information to Medicaid.
3. Twenty-two percent (**22%** Medicaid coinsurance rate) of **\$500.00** (the Arkansas Medicaid hospital per diem) = **\$110.00** (Medicaid coinsurance). Medicaid coinsurance is due for the first day only of each admission covered by Medicare Part A.
4. Seven hundred sixty dollars (**\$760.00** Medicare Part A deductible) minus **\$110.00** (Medicaid coinsurance) = **\$650.00** (Medicaid payment).

If, on a subsequent admission, Medicare Part A assesses coinsurance; Medicaid will deduct from the Medicaid payment, an amount equal to **22%** of one day's Medicaid per diem, for inpatient admissions through October 31, 2001. The patient will be responsible for that amount.

B. Inpatient Admissions On and After November 1, 2001

Effective for dates of service on or after November 1, 2001, the coinsurance charge per admission for Medicaid recipients who are also Medicare Part A beneficiaries, is **10%** of the hospital's Arkansas Medicaid per diem amount, applied on the first Medicaid covered day only.

Arkansas Medicaid Manual:	Page: I-52
	Effective Date: 1-1-94
Subject: RESPONSIBILITIES OF THE MEDICAID RECIPIENT	Revised Date: 11-1-01

143.212 Inpatient Hospital Coinsurance to Medicare-Medicaid Dually Eligible Recipients (Continued)

Example:

A Medicare beneficiary, also eligible for Medicaid, is an inpatient for 4 days in a hospital whose Arkansas Medicaid per diem amount is \$500.00.

1. This is a patient's first hospitalization for the Medicare benefit year; so the patient has not met their Medicare Part A deductible.
2. Medicare pays the hospital its allowed Part A charges, less the **\$760.00** deductible, and forwards the payment information to Medicaid.
3. Ten percent (**10%** Medicaid coinsurance rate) of **\$500.00** (the Arkansas Medicaid hospital per diem) = **\$50.00** (Medicaid coinsurance). Medicaid coinsurance is due for the first day only of each admission covered by Medicare Part A.
4. Seven hundred sixty dollars (**\$760.00** Medicare Part A deductible) minus **\$50.00** (Medicaid coinsurance) = **\$710.00** (Medicaid payment).

If, on a subsequent admission, Medicare Part A assesses coinsurance; Medicaid will deduct from the Medicaid payment, an amount equal to 10% of one day's Medicaid per diem. The patient will be responsible for that amount.

143.220 Copayment of Prescription Drugs

Arkansas Medicaid has a recipient copayment policy in the Pharmacy Program. The copayment amount for the Pharmacy Program is applied per prescription. The recipient is responsible for paying the provider a copayment amount based on the following table:

Medicaid Maximum Amount	Recipient Copay
\$10.00 or less	\$0.50
\$10.01 to \$25.00	\$1.00
\$25.01 to \$50.00	\$2.00
\$50.01 or more	\$3.00

143.230 Exclusions

As required by 42 CFR 447.53(b), the following services are excluded from the recipient cost sharing coinsurance/copayment policy:

- A. Services provided to individuals under 18 years of age;
- B. Services provided to pregnant women;
- C. Emergency services - Services provided in a hospital, clinic, office or other facility that is equipped to furnish the required care after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in: (1) Placing the patient's health in serious jeopardy (2) Serious impairment to bodily functions (3) Serious dysfunction of any bodily organ or part;

